PROVINCE OF BRITISH COLUMBIA

ELEVENTH ANNUAL REPORT

of the business done in pursuance of the

PUBLIC SERVICE BENEFIT PLAN ACT

YEAR ENDED MARCH 31

1987

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To: The Honourable ROBERT GORDON ROGERS,
Lieutenant-Governor of the Province of British Columbia

MAY IT PLEASE YOUR HONOUR:

The undersigned respectfully submits the Annual Report of the business done under the *Public Service Benefit Plan Act* during the fiscal year ended March 31, 1987.

ELWOOD VEITCH
Provincial Secretary and
Minister of Government Services

Office of the Provincial Secretary and
Minister of Government Services
Victoria, British Columbia
February 25, 1988

The Honourable Elwood Veitch
Provincial Secretary and
Minister of Government Services
Victoria, British Columbia

SIR:

I have the honour to lay before you the Annual Report of the business done under the *Public Service Benefit Plan Act* during the fiscal year ended March 31, 1987.

Respectfully submitted,

JOHN W. COOK
Superannuation Commissioner

February 25, 1988

PUBLIC SERVICE BENEFIT PLAN ACT

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PART I

GROUP LIFE INSURANCE PLAN

For the Year
April 1, 1986 to March 31, 1987

GROUP LIFE INSURANCE PLAN
SUMMARY OF PREMIUMS AND BENEFITS

For the Year
April 1, 1986 to March 31, 1987

Premiums: The premiums paid under policy 6878GL(3) during the period were:

(a) $0.46 per $1,000.00 per month for insurance where the employee was formerly insured under policy 6878GL(1).

(b) $0.57 per $1,000.00 per month for insurance where the employee was formerly insured under policy 6878GL(2).

(c) $0.75 per employee per month for insurance where the employee was formerly insured under policy G65-1325, and

(d) $0.24 per $1,000.00 per month for insurance for all other employees.

Benefits: The benefits under the policy are described below. An employee can be insured under only one of the (a), (b), and (d) below. Additionally, if the employee is insured under either (a) or (b) below then the employee may also elect voluntarily to be insured under (c) below.

(a) **Employees Insured Under Former Policy 6878GL(1)**
The amount of insurance is determined from a schedule based on the employee's monthly earnings. The minimum amount of insurance is $3,000.00, the maximum $20,000.00.

(b) **Employees Insured Under Former Policy 6878GL(2)**
The amount of insurance for each employee is $5,000.00.

(c) **Employees Insured Under Former Policy G65-1325**
The amount of insurance is determined from a schedule based on the employee's attained age. The minimum amount of insurance is $300.00, the maximum $10,000.00. The amount of insurance reduces as the employee gets older.

(d) **All Other Employees**
The amount of insurance for each full-time employee is equal to 200% of the employee's annual earnings rounded to the next higher multiple of $1,000.00. The minimum amount of insurance is $40,000.00. Employees of the B.C. Ferry Corporation have a minimum coverage of $25,000.

Carrier: The Great-West Life Assurance Company underwrites policy 6878GL(3).

GROUP LIFE INSURANCE PLAN

SCHEDULE NO. 1

DEATH CLAIMS ANALYSIS

For the Year
April 1, 1986 to March 31, 1987

Total Amount of Claims	$6,585,000
Total Number of Claims	118

Male	91
Female	27
	118

	Number	Amount of Claim
Age at Death		$
Under 30 Years	3	120,000
30–39 Years	5	259,000
40–49 Years	18	936,000
50–59 Years	35	1,888,000
60 Years and Over	57	3,382,000
	118	6,585,000
Length of Service		
Less than 10 Years	32	1,754,000
10–19 Years	60	3,205,000
20–29 Years	11	731,000
30 Years and Over	15	895,000
	118	6,585,000

GROUP LIFE INSURANCE PLAN

SCHEDULE NO. 2

RECORD OF DEATH CLAIMS BY DATE OF DEATH

For the Year
April 1, 1986 to March 31, 1987

No. by Date of Death	Name of Employee	Age	Service (Years)	Date of Death	Amount of Claim	Date Paid
					$	
1.	GLOVER, Maurice H.A.	68	30	04 01 86	20,000	04 28 86
2.	MARCUS, Francis Joseph	62	35	04 01 86	42,000	06 18 86
3.	ALCORN, James Gallacher	61	4	04 03 86	59,000	03 05 87
4.	BORSHOWA, Frank John	58	18	04 04 86	54,000	06 05 86
5.	ANDERSON, Garnet Eldon	63	16	04 15 86	46,000	05 29 86
6.	MUNZ, Shirley (Mrs.)	43	12	04 16 86	52,000	07 29 86
7.	RUTHERFORD, Caron S. (Mrs.)	26	4	04 20 86	40,000	05 27 86
8.	HAZELWOOD, John Robert	59	16	04 26 86	46,000	07 18 86
9.	BONNEVILLE, Gerard J.	60	11	04 29 86	49,000	08 22 86
10.	CLARKE, Melvin Arthur	49	3	05 02 86	43,000	06 20 86
11.	MACDONALD, Malcolm A.	61	7	05 02 86	134,000	07 03 86
12.	CASTLE, Brenda L. (Mrs.)	24	1	05 04 86	40,000	06 12 86
13.	GAINOR, Denzil Craig	60	9	05 06 86	56,000	06 29 86
14.	WESTIN, Kenneth S.W.	58	29	05 11 86	50,000	06 18 86
15.	KERCHER, Leonard George	56	7	05 19 86	53,000	07 23 86
16.	SALMON, Richard Charles	47	11	05 20 86	56,000	03 31 87
17.	STEVENS, Jerry Anthony	60	12	05 24 86	42,000	06 26 86
18.	NEALE, Robert Edwin	55	9	05 25 86	94,000	07 02 86
19	WASMUTH, Lorne August	60	4	05 31 86	57,000	07 23 86
20.	SPROUL, William Merrill	58	30	06 01 86	112,000	07 23 86
21.	MILLER, Sylvia Gail (Mrs.)	47	1	06 03 86	52,000	07 23 86
22.	GASCOYNE, Anthony Wright	63	5	06 03 86	40,000	07 23 86
23.	HOLBROOK, Arthur	64	13	06 12 86	40,000	07 18 86
24.	THOMPSON, Ian	63	17	06 12 86	46,000	07 29 86
25.	DEMPSEY, Hugh Murray	60	16	06 25 86	40,000	07 29 86
26.	BEVERLEY, Rex R.	57	8	06 26 86	56,000	08 19 86
27.	COCHRANE, William Gerald	64	26	06 26 86	39,000	09 11 86
28.	CHARCHUK, Harry	59	11	06 30 86	38,000	01 14 87
29.	NADEAU, Marcel George	49	10	07 01 86	46,000	09 03 86
30.	NICHOLS, Eric Norman	60	33	07 02 86	51,000	09 18 86
31.	DE CUNHA, Edward Peter	63	26	07 09 86	114,000	10 10 86
32.	KIRKLAND, John Wilbur	64	29	07 09 86	63,000	09 17 86
33.	BLOUDELL, Gordon George	59	25	07 11 86	43,000	09 17 86
34.	FIELD, Louis Henry	65	31	07 17 86	43,000	10 15 86
35.	LUCAS, Stanley George	57	13	07 21 86	53,000	
36.	WHITTELL, Harry	64	15	07 22 86	39,000	08 22 86
37.	PROWSE, Keith Miles	55	22	07 22 86	122,000	08 21 86
38.	MacKAY, Angus Pearson	63	9	07 25 86	67,000	08 21 86
39.	LESUEUR, Alice Eleanor (Mrs.)	60	10	07 26 86	40,000	08 19 86
40.	MATTHEWS, Raymond Courtenay	57	33	07 29 86	51,000	10 17 86
41.	CHUNGRANES, Richard George	61	31	08 02 86	46,000	10 20 86
42.	SMITH, James Alexander	61	14	08 04 86	94,000	09 17 86
43.	SPARROW, Marian Grace (Mrs.)	57	12	08 08 86	51,000	09 17 86
44.	HENKE, Sylvia (Mrs.)	41	5	08 09 86	40,000	09 11 86
45.	BEAUCHAMP, Velia (Mrs.)	56	9	08 10 86	40,000	09 16 86
46.	PEREGOODOFF, William F.	41	2 mo	08 18 86	60,000	10 20 86
47.	CHAMBERS, Stewart L.	64	12	08 29 86	98,000	11 05 86
48.	NEWELL, Dale Ernest	37	11	09 01 86	69,000	10 24 86
49.	SMITH, Carolyn Joyce (Miss)	28	6	09 02 86	40,000	10 20 86
50.	MUIR, Charles Douglas	63	14	09 11 86	45,000	01 21 87
51.	HAMILTON, Opal Patricia (Mrs.)	61	12	09 13 86	49,000	12 22 86
52.	NELSON, Frances D.B. (Mrs.)	56	11	09 17 86	42,000	01 05 87
53.	KNOPF, Herbert Karl	57	10	09 18 86	58,000	11 28 86
54.	LYONS, Frederick Earl	46	12	09 22 86	58,000	10 24 86
55.	MCKAY, Angus	62	19	09 22 86	61,000	11 05 86
56.	HENRY, Norman Bruce	61	19	09 23 86	46,000	10 29 86
57.	CAMPBELL, Arnold A.	53	15	09 23 86	49,000	12 12 86
58.	PATERSON, Josephine (Mrs.)	61	34	09 26 86	40,000	11 05 86

GROUP LIFE INSURANCE PLAN

SCHEDULE NO. 2—*Continued*

RECORD OF DEATH CLAIMS BY DATE OF DEATH

For the Year
April 1, 1986 to March 31, 1987

No. by Date of Death	Name of Employee	Age	Service (Years)	Date of Death	Amount of Claim	Date Paid
					$	
59.	PASSARELL, Alan L.	36	7	09.27.86	54,000	12.16.86
60.	DEFOREST, Richard Fred	62	18	09.28.86	46,000	01.14.87
61.	NIXON, Brian Douglas	30	5	09.29.86	50,000	11.05.86
62.	COURTEMANCHE, Come R.	45	18	10.04.86	54,000	11.28.86
63.	LOYST, Harold Bertram	61	15	10.06.86	40,000	02.04.87
64.	TOUCHETTE, David Gerald	63	25	10.06.86	35,000	02.20.87
65.	LEE, William Charles	52	12	10.09.86	44,000	12.22.86
66.	PICHE, Margaret (Mrs.)	46	13	10.11.86	40,000	11.05.86
67.	BROUGHTON, William Otis	58	14	10.13.86	79,000	01.05.87
68.	SCHNEIDER, Carl	57	31	10.14.86	42,000	11.28.86
69.	PILLER, Alma Edith (Mrs.)	59	7	10.17.86	40,000	12.22.86
70.	LUSH, Christine M. (Mrs.)	31	5	10.22.86	43,000	12.22.86
71.	DONALD, James Muir	64	25	10.23.86	97,000	01.05.87
72.	WESTCOTT, William Wallace	56	18	10.25.86	46,000	02.17.87
73.	WILSON, Doreen (Mrs.)	59	11	10.26.86	40,000	12.22.86
74.	SWITZER, William Myron	63	30	10.27.86	49,000	01.05.87
75.	ENGLISH, Lawrence Lee	64	17	10.30.86	57,000	01.05.87
76.	PIGEON, Douglas William	47	12	11.05.86	50,000	01.05.87
77.	RIDEOUT, Frank Judson	61	19	11.09.86	60,000	01.05.87
78.	CARDINAL, George Clarence	46	10	11.11.86	60,000	01.20.87
79.	MCLELLAN, John Arthur	60	35	11.12.86	72,000	12.23.86
80.	GREENWOOD, Peter John	63	23	11.17.86	52,000	12.22.86
81.	NABSETH, Raymond Arthur	64	18	11.17.86	40,000	01.21.87
82.	RAE, William Allan	62	13	11.24.86	53,000	02.24.87
83.	WHITE, Harry Charles	59	10	11.25.86	48,000	02.20.87
84.	GARINGER, Larry Eugene	41	3	11.25.86	88,000	02.10.87
85.	FRAZIER, Paul Allison	75	6	11.30.86	6,000	03.05.87
86.	ANDERSON, Ernest Leslie	64	40	12.07.86	134,000	02.04.87
87.	FLEMING, Gladys (Mrs.)	50	12	12.09.86	40,000	02.10.87
88.	PEARSON, Morris Elmer	52	3	12.10.86	43,000	02.04.87
89.	SIEG, Barbel I. (Mrs.)	47	5	12.11.86	40,000	02.04.87
90.	CHADWICK, Robert James	58	35	12.18.86	66,000	02.10.87
91.	SHERMAN, Grace L. (Mrs.)	54	12	12.19.86	47,000	02.10.87
92.	DELONG, Lawrence Edward	38	6	12.29.86	43,000	03.05.87
93.	LUCK, Allan Richard	64	19	01.02.87	97,000	03.05.87
94.	COLLIER, Andrew Laurence	62	2	01.03.87	156,000	02.24.87
95.	SUMNERS, George William	63	13	01.10.87	44,000	02.20.87
96.	GREEN, William George	56	17	01.20.87	47,000	03.05.87
97.	OSBORNE, Harold	61	32	01.22.87	61,000	03.31.87
98.	FITZWATER, Diane L. (Mrs.)	53	9	01.24.87	40,000	02.24.87
99.	HALL, Ernest	57	16	01.25.87	54,000	04.23.87
100.	HANET, Ewald	60	19	01.27.87	41,000	03.18.87
101.	BIDEN, Allan	62	32	01.29.87	66,000	05.13.87
102.	GAUTHIER, Roger Edmund	44	13	01.31.87	41,000	03.10.87
102.	STACHERA, Maryan (Mike)	53	21	02.12.87	56,000	04.03.87
104.	GREMM, Helen Mae (Mrs.)	64	12	02.14.87	49,000	03.26.87
105.	NASH, Nathaniel Norman	62	10	02.15.87	83,000	03.30.87
106.	BOWLES, Alice (Mrs.)	49	6	02.16.87	43,000	04.08.87
107.	JOYCE, Helen (Mrs.)	50	12	02.17.87	41,000	05.21.87
108.	MOIR, James	63	17	02.23.87	49,000	04.24.87
109.	HILL, Russell Robert	64	15	03.06.87	40,000	07.27.87
110.	OSBORNE, William	63	14	03.06.87	44,000	05.13.87
111.	JOHNSON, Edwin John	62	7	03.12.87	46,000	04.23.87
112.	DRIVER, Roy Killner	57	10	03.13.87	60,000	06.17.87
113.	PRESBURY, Sheila (Mrs.)	61	23	03.15.87	50,000	05.08.87
114.	LANG, Joseph Bruce C.	63	12	03.16.87	94,000	04.24.87
115.	JACKSON, Linda M. (Mrs.)	44	8	03.20.87	48,000	07.06.87
116.	PIRILLO, Kenneth	48	14	03.23.87	65,000	05.13.87
117.	MAJOR, Ida Helen (Mrs.)	53	7	03.23.87	43,000	08.18.87
118.	MITCHELL, Emily Margaret (Mrs.)	61	11	03.30.87	95,000	08.07.87

GROUP LIFE INSURANCE PLAN

SCHEDULE No. 3

Record of Death and Dismemberment Claims From Records of the Great-West Life Assurance Company Claims Reported and Charged to the Experience of the Government of British Columbia

During the Policy Year	Number of Claims	Amount of Death Claims Paid	Amount of Dismemberment Claims Paid (Recovered)	Conversion Charges	Disabled Life Reserve Charges (Recoveries)
		$	$	$	$
1960–1961	26	115,000		130	2,250
1961–1962	40	188,000		1,365	12,000
1962–1963	41	174,000		292	5,250
1963–1964	38	173,000		975	(182)
1964–1965	36	181,000		2,470	10,957
1965–1966	59	305,000		1,495	390
1966–1967	43	208,000		1,950	12,750
1967–1968	67	419,000		1,300	10,500
1968–1969	58	558,000		2,600	28,500
1969–1970	66	593,000		1,235	44,250
1970–1971	66	599,000		1,170	109,000
1971–1972	72	684,000		4,615	88,200
1972–1973	89	1,052,000		4,562	90,700
1973–1974	86	1,112,000		5,100	9,830
1974–1975	66	932,500		6,262	68,920
1975–1976	97	2,040,500		4,875	237,025
1976–1977	109	3,229,000		5,325	371,856
1977–1978	99	3,667,000		16,200	(366,981)
1978–1979	98	3,510,000		12,250	(16,500)
1979–1980	76	3,054,000		2,940	(569,285)
1980–1981	129	5,325,000	78,000	10,020	(115,500)
1981–1982	117	5,452,000	19,600	9,015	(34,750)
1982–1983	128	6,068,000	39,500	12,130	(125,750)
1983–1984	141	6,737,000	73,000	11,360	(100,250)
1984–1985	103	5,228,325	29,000	29,970	(222,500)
1985–1986	119	5,926,000	(26,000)	26,450	(105,000)
1986–1987	118	6,585,000	20,000	11,420	(72,250)

GROUP LIFE INSURANCE PLAN

SCHEDULE NO. 4

FINANCIAL SUMMARY

For the Year Ended March 31, 1987

	1987	1986
REVENUE	$	$
Premiums	5,946,554	5,811,721
Interest Received	577,596	587,467
Interest on Cash Flow	(20,271)	(3,398)
	6,503,879	6,395,790
EXPENDITURES		
Death Claims	6,585,000	5,926,000
Dismemberment Claims (Recoveries)	20,000	(26,000)
Conversion Charges	11,420	26,450
Interest on Claims Payments	104,280	77,088
Assurance Company Retention*	290,354	272,426
	7,011,054	6,275,964
NET INCREASE (DECREASE) IN FUND BALANCE	(507,175)	119,826
FUND BALANCE AT BEGINNING OF YEAR	4,697,161	4,577,335
FUND BALANCE AT END OF YEAR	4,189,986	4,697,161

	CLAIMS FLUCTUATION RESERVE	DISABLED LIFE RESERVE**	SURPLUS	FUND BALANCE
	$	$	$	$
BEGINNING BALANCE	1,452,931	584,250	2,659,980	4,697,161
INCREASE (DECREASE)	33,707	(72,250)	(468,632)	(507,175)
ENDING BALANCE	1,486,638	512,000	2,191,348	4,189,986

* (2.32% of billed premiums plus 2.29% of incurred claims, 2.32% and 2.32% respectively for 1985/86).

** This reserve was established for waiver of premium claimants:

(a) from former policies 6878GL(1) and 6878GL(2) and

(b) from policy 6878GL(3) when the claimant is not receiving a benefit from the Long Term Disability Plan.

GROUP LIFE INSURANCE PLAN

SCHEDULE No. 5

Comparative Statistics — April 1, 1960 to March 31, 1987

Policy Year	Number of Contributors	Amount of Coverage	Premium and Other Income	Incurred Claims and Conversion Charges	Retention by Insurance Company	Claims Fluctuation Reserve	Disabled Life Reserve	Surplus
		$	$	$	$	$	$	$
1960–1961	8,482	35,973,000	162,399	127,968	9,565			24,866
1961–1962	8,457	36,939,000	175,309	202,207	8,264			(35,162)
1962–1963	8,774	40,669,000	193,188	180,465	9,575			3,148
1963–1964	9,193	44,380,000	215,961	175,278	10,237			30,446
1964–1965	9,523	48,605,000	239,748	195,978	10,416			33,354
1965–1966	11,317	59,576,000	349,075	314,013	14,553			20,509
1966–1967	13,641	73,874,000	396,959	224,982	13,246			158,731
1967–1968	13,973	119,262,000	484,965	434,311	20,169			30,485
1968–1969	15,138	144,094,900	738,368	602,922	28,015			107,431
1969–1970	15,704	162,803,400	849,565	642,158	30,829			176,578
1970–1971	15,938	182,162,700	946,321	729,592	34,394			182,335
1971–1972	18,470	211,873,300	1,121,259	789,673	37,494			294,092
1972–1973	18,923	243,209,600	1,241,971	1,150,716	47,383			43,872
1973–1974	20,396	265,483,600	1,424,228	1,124,821	48,999			250,408
1974–1975	21,867	345,670,600	1,729,867	977,514	49,659			702,694
1975–1976	28,182	816,772,000	3,026,497	2,448,094	115,605	196,530		266,268
1976–1977	29,215	938,473,000	3,499,562	3,725,483	158,902	(20,201)		(364,622)
1977–1978	33,711	1,190,567,000	3,918,186	2,863,720	150,257	805,853		98,356
1978–1979	34,551	1,256,400,000	4,633,701	3,459,406	178,330	414,318		581,647
1979–1980*	37,106	1,447,354,000	3,466,922	2,644,270	140,742	(95,049)	1,288,000	(511,041)
1980–1981	38,093	1,620,202,000	5,839,663	5,413,020	238,078	157,263	(115,500)	146,802
1981–1982	39,679	1,857,253,000	6,607,403	5,480,015	339,413	106,390	(34,750)	716,335
1982–1983	41,669	2,093,707,000	7,120,747	6,119,630	273,471	57,774	(125,750)	795,620
1983–1984	39,645	2,006,516,000	6,619,580	6,821,360	289,523	(91,849)	(100,250)	(299,203)
1984–1985	37,562	1,975,040,000	5,822,111	5,287,295	258,813	(84,357)	(222,500)	1,011,249
1985–1986	37,129	1,988,291,000	6,318,701	5,926,450	272,426	6,256	(105,000)	218,569
1986–1987	37,213	2,055,453,000	6,399,599	6,616,420	290,354	33,707	(72,2..)	(468,632)

* The anniversary date was changed from August 1 to April 1 so that 1979/80 experience is only for an eight (8) month period.

GROUP LIFE INSURANCE PLAN

SCHEDULE No. 6

NATIONAL LIFE POLICY G65-1325

Comparative Statistics — October 1, 1965 to March 31, 1987

Policy Year	Number of Contributors	Premium Per Year	Number of Claims	Total Amount of Claims Incurred
		$		$
1965–1966	7,270	45,939	17	38,425
1966–1967	7,899	70,154	17	46,450
1967–1968	8,853	73,364	41	67,370
1968–1969	9,277	82,314	36	78,665
1969–1970	9,782	86,260	32	64,410
1970–1971	10,008	88,790	42	65,605
1971–1972	11,577	100,968	40	88,455
1972–1973	12,082	106,974	61	116,480
1973–1974	13,113	113,438	54	116,430
1974–1975	14,196	123,675	36	86,860
1975–1976	1,523	72,570	27	57,410
1976–1977	770	14,001	8	20,270
1977–1978	146	5,312	2	1,225
1978–1979	13	300	1	390
1979–1980	8	39	—	—
1980–1981	—	—	—	—
1981–1982	—	—	1	420
1982–1983	—	—	1	1,202
1983–1984	—	—	—	—
1984–1985	—	—	2	1,110
1985–1986	—	—	—	—
1986–1987	—	—	—	—

Effective September 30, 1979 the active contributors were transferred to policy 6878GL(3) issued by the Great-West Life Assurance Company. The Waiver of Premium claimants continued under policy G65-1325 issued by the National Life Assurance Company. At March 31, 1987 there were 5 claimants insured for $2,435.00 on which a $526 reserve is being held.

PART II

LONG TERM DISABILITY PLAN

For the Year
April 1, 1986 to March 31, 1987

LONG TERM DISABILITY PLAN
SUMMARY OF PREMIUMS AND BENEFITS

For the Year
April 1, 1986 to March 31, 1987

Financing: The benefits are self insured by the Province of British Columbia and participating Crown Corporations. A reserve fund is being accumulated to ensure that the long term liabilities accruing under the Plan are appropriately funded.

Benefits: A monthly benefit is paid to an employee who has been totally disabled for a continuous six month period or seven months if the employee is entitled to seven months of STIIP.

The monthly Long Term Disability benefit:

(a) when an employee has a sick bank balance, the sick bank is used on a day-for-day basis. The employee receives his/her full monthly earnings as at the date of disability. This benefit continues until the sick bank is exhausted.

(b) when an employee has no sick bank or after the sick bank balance is exhausted, a monthly benefit is paid equal to the sum of:

(i) 66⅔% of the first $1,900 of basic monthly earnings, and
(ii) 50% of the basic monthly earnings in excess of $1,900.

Claims Administrator: Great-West Life Assurance Company

LONG TERM DISABILITY PLAN
STATEMENT OF FINANCIAL POSITION

As at March 31, 1987

ASSETS	1987	1986
	$	$
Cash	330,476	181,813
Accounts receivable	172,266	902,486
Accrued interest on investments	1,461,965	1,952,056
Investments		
Short-term	36,654,131	45,537,868
Long-term (Note 2)	13,786,401	2,334,468
Deferred loss on sale of investment	3,341	—
	52,408,580	50,908,691
LIABILITIES AND FUND BALANCE		
Liabilities		
Accounts payable	1,042,250	3,819,373
Fund Balance		
Disabled Life Reserve	46,591,598	43,036,676
Unreported Claims Reserve	9,845,328	7,270,831
Deficit	(5,070,596)	(3,218,189)
	51,366,330	47,089,318
	52,408,580	50,908,691

The three accompanying notes are an integral part of these financial statements.

LONG TERM DISABILITY PLAN
STATEMENT OF CHANGES IN FUND BALANCE
For the Year April 1, 1986 to March 31, 1987

	Crown	B.C. Buildings Corporation	B.C. Ferry Corporation	B.C. Systems Corporation	Emergency Health Services Commission	Independent Councils	B.C. Transit	1987 Total	1986 Total
	$	$	$	$	$	$	$	$	$
Fund Balances Increased by:									
Premiums	11,348,377	136,389	899,265	125,341	2,419	5,326	1,745	12,518,862	11,529,359
Interest from investments	4,038,387	133,547	341,383	89,620	11,595	12,054	26,290	4,652,876	4,653,715
	15,386,764	269,936	1,240,648	214,961	14,014	17,380	28,035	17,171,738	16,183,074
Fund Balances Decreased by:									
Claims paid or insured:									
Disability benefit payments	10,182,386	443,706	898,136		45,979			11,570,207	10,895,120
Other employee benefits	856,238	45,524	75,256		4,182			981,200	853,482
Change in Disabled Life Reserve	4,068,404	133,142	(522,758)		(123,866)			3,554,922	3,098,190
Change in Unreported Claims Reserve	2,949,846	321,649	(633,558)		(63,440)			2,574,497	(595,679)
Claims administration charges	309,753	11,284	21,970		312			343,319	343,006
	18,366,627	955,305	(160,954)		(136,833)			19,024,145	14,594,119
Net Change in Fund Balances	(2,979,863)	(685,369)	1,401,602	214,961	150,847	17,380	28,035	(1,852,407)	1,588,955
Fund Balances at Beginning of Year	(3,995,217)	24,566	(326,545)	805,410	(107,345)	117,460	263,482	(3,218,189)	(4,807,144)
Fund Balances at End of Year	(6,975,080)	(660,803)	1,075,057	1,020,371	43,502	134,840	291,517	(5,070,596)	(3,218,189)

LONG TERM DISABILITY PLAN
NOTES TO FINANCIAL STATEMENTS

For the Year Ended March 31, 1987

1. SIGNIFICANT ACCOUNTING POLICIES

(a) General Information

These financial statements have been prepared on the accrual basis of accounting. They show only the position of the Plan as at March 31, 1987 and the changes in Fund balance for the year then ended and do not purport to show the adequacy of the Fund to meet the obligations of the Long Term Disability Plan.

(b) Investments

Long-term investments are those purchased with a term in excess of one year. They are carried at cost of acquisition adjusted as follows:

(i) Discounts and premiums on single maturity bonds are amortized on a constant yield basis over the remaining terms of the bonds.

(ii) Discounts on serial bonds are recognized as income when redemptions occur.

Short-term investments are carried at cost of acquisition.

(c) Deferred Loss on Sale of Investment

Losses on disposal of long-term investments are deferred and amortized on a straight line basis over the lesser of the remaining terms of the investments or twenty years. The amortization is charged against income from investments.

2. LONG-TERM INVESTMENTS

Long-term investments held at the end of the year are as follows:

	1987 $	1986 $
Book Value	13,786,401	2,334,468
Par Value	13,845,000	2,345,000
Market Value	14,367,183	2,391,900

3. CHANGE IN ACCOUNTING POLICY

In the year ended 31 March 1986 and prior years, discounts and premiums on long-term investments were amortized on a straight line basis. Discounts and premiums are now amortized on the basis described in Note 2b(i). This change in accounting policy has not been retroactively applied and comparative figures have not been restated due to the insignificant affect on the Fund balance.

LONG TERM DISABILITY PLAN

SCHEDULE NO. 1

STATISTICAL SUMMARY—TOTAL BY MONTH

For the Year April 1, 1986 to March 31, 1987

Month	Number of New Claims Submitted	Number of Re-opened Claims	Number of Terminated Claims	Number of New Claims Declined	Number of Open Claims at Month End	Number of Claims on Which First Payment Made in Month	Number of Claims Starting New 12 Month Period
April, 1986	42	8	33	0	1022	31	78
May	29	8	35	2	1022	29	76
June	43	5	28	4	1038	41	51
July	38	11	32	6	1049	43	80
August	20	6	32	4	1039	25	71
September	34	6	32	4	1043	29	89
October	36	12	38	4	1049	18	72
November	27	45	69	1	1051	26	76
December	14	18	43	6	1034	41	75
January, 1987	19	10	26	6	1031	20	56
February	26	13	25	3	1042	21	51
March	36	8	40	7	1039	31	80
	364	150	433	47	1039	355	855

PART III

EXTENDED HEALTH CARE
and
DENTAL PLANS

For the Year
April 1, 1986 to March 31, 1987

EXTENDED HEALTH CARE PLAN
SUMMARY OF PREMIUMS AND BENEFITS

For the Year
April 1, 1986 to March 31, 1987

Financing: The Extended Health Care Plan is financed on a "cost plus" basis, which consists of the cost of paid claims plus the administration charge.

Administration Charges: 2.1% of claims paid plus time, materials and interest costs.

Benefits: The Plan pays 80% of eligible expenses subject to an annual deductible of $25.00 as follows:

Charges for prescription drugs (integrated with Pharmacare).
Cost of emergency ambulance service.
Fees of a registered nurse where special duty acute care was required.
Fees of a Physiotherapist.
Fees of a Podiatrist.
Fees of a Chiropractor.
Fees of a Naturopathic Physician.
Reasonable charges for physicians in emergency cases while travelling outside British Columbia.
Hospital charges made for co-insurance in British Columbia.
"Out-of-province" charges in the event of emergency while travelling or on vacation.
"Eyeglass Option" including lenses or frames ($75 maximum). Employees of the B.C. Ferry Corporation have a maximum of $50.00.
"Hearing Aid Option" ($400 maximum). This option does not apply to employees of the B.C. Ferry Corporation.

Claims Administrator: Medical Services Association

DENTAL PLAN
SUMMARY OF PREMIUMS AND BENEFITS

For the Year
April 1, 1986 to March 31, 1987

Financing: The Dental Plan is financed on a "cost-plus" basis.

Administration Charges: 2.1% of claims paid plus time, materials, and interest costs.

Benefits: The Plan pays a percentage of eligible expenses incurred by participating eligible employees for services provided under parts A, B and C as follows:

PART A

Diagnostic services.
Preventive services.
Endodontics.
Periodontic services.
Oral surgery.
Restorative services.
Prosthetic repair services and relines.

PART B

Crowns, bridges and dentures.

PART C

Orthodontics.

The percentage of eligible expenses covered for the following groups were:

	PART	
Management, British Columbia Government Employees' Union, Professional Employees Association, The Registered Psychiatric Nurses of British Columbia and British Columbia Nurses Union, Miscellaneous and Other Groups	A	100%
	B	60%
	C	50%
B.C. Ferry Corporation employees	A	100%
	B	50%
	C	50%

Claims Administrator: Medical Services Association

EXTENDED HEALTH CARE PLAN

SCHEDULE NO. 1

For the Year April 1, 1986 to March 31, 1987

Group No.	Group Name	Total Claims	Total Administration	Grand Total
		$	$	$
10001	Regular Employees — B.C.G.E.U. and Management Executives in Government	1,500,102	31,502	1,531,604
10002	British Columbia Ferry Corporation — Unionized Employees	141,593	2,973	144,566
10003	Regular Employees — Liquor Distribution Branch	102,329	2,149	104,478
10004	Queen's Printer	4,305	90	4,395
10005	Labour Relations Board	3,088	65	3,153
10006	Regular Employees — Registered Nurses and Registered Psychiatric Nurses Association	91,109	1,913	93,022
10007	Executive — Registered Psychiatric Nurses Association	—	—	—
10008	Members of the Legislative Assembly	3,758	79	3,837
10009	British Columbia Ferry Corporation — Non-Union Employees	9,270	195	9,465
10010	Regular Employees — Professional Employees Association	63,965	1,343	65,308
10011	British Columbia Buildings Corporation	65,508	1,376	66,884
10012	British Columbia Systems Corporation	25,445	534	25,979
10014	Emergency Health Services Commission	2,426	51	2,477
10015	Auxiliary Employees — B.C.G.E.U. and Management Executives in Government	20,943	440	21,383
10016	Auxiliary Employees — Liquor Distribution Branch	10,045	211	10,256
10018	Auxiliary Employees — Registered Nurses and Registered Psychiatric Nurses Association	473	10	483
10019	LTD — B.C.G.E.U. and Management Executives in Government	118,481	2,488	120,969
10020	LTD — Professional Employees Association	539	11	550
10022	B. C. Transit	1,619	34	1,653
10023	British Columbia Steamship Company (1975) Ltd	2,461	52	2,513
10024	LTD — Liquor Distribution Branch	15,352	322	15,674
10025	LTD — Registered Nurses and Registered Psychiatric Nurses Association	5,406	114	5,520
10026	LTD — British Columbia Buildings Corporation	6,095	128	6,223
10027	LTD — British Columbia Systems Corporation	—	—	—
10028	LTD — British Columbia Ferry Corporation	6,471	136	6,607
10029	LTD — Emergency Health Services Commission	463	10	473
10030	LTD — Queen's Printer	278	6	284
10031	LTD — B. C. Transit	—	—	—
10033	LTD — Independent Councils	—	—	—
10034	Boards of Review	2,559	54	2,613
10035	LTD — Labour Relations Board	—	—	—
10036	Essential Services Advisory Agency	—	—	—
10037	LTD — Essential Services Advisory Agency	—	—	—
10040	Science Council	95	2	97
10041	Universities Council	316	7	323
10042	Auxiliary Employees — Professional Employees Association	1,252	26	1,278
10099	British Columbia Public Service Pensioners	655,294	13,761	669,055
TOTALS		2,861,040	60,082	2,921,122

DENTAL PLAN

SCHEDULE NO. 2

FINANCIAL SUMMARY BY EMPLOYER GROUP

For the Year April 1, 1986 to March 31, 1987

Group No.	Group Name	Dental Claims Paid			Total Claims	Administration Charges	Total
		Part A	Part B	Part C			
		$	$	$	$	$	$
10001	Regular Employees — B.C.G.E.U. and Management Executives in Government	10,525,667	2,361,165	713,842	13,600,674	285,614	13,886,288
10002	British Columbia Ferry Corporation — Unionized Employees	1,005,367	198,919	52,164	1,256,450	26,386	1,282,836
10003	Regular Employees — Liquor Distribution Branch	654,900	175,464	39,717	870,081	18,272	888,353
10004	Queen's Printer	41,474	3,423	992	45,889	964	46,853
10005	Labour Relations Board	13,304	3,245	837	17,386	365	17,751
10006	Regular Employees — Registered Nurses and Registered Psychiatric Nurses Association	797,153	246,514	79,866	1,123,533	23,594	1,147,127
10007	Executive — Registered Psychiatric Nurses Association						
10008	Members of the Legislative Assembly	23,884	11,511	2,928	38,323	805	39,128
10009	British Columbia Ferry Corporation — Non-Union Employees	66,131	18,066	3,645	87,842	1,845	89,687
10010	Regular Employees — Professional Employees Association	504,174	105,195	46,165	655,534	13,766	669,300
10011	British Columbia Buildings Corporation	405,800	84,645	29,111	519,556	10,911	530,467
10012	British Columbia Systems Corporation	178,560	36,891	20,692	236,143	4,959	241,102
10014	Emergency Health Services Commission	11,144	4,867	234	16,245	341	16,586
10015	Auxiliary Employees — B.C.G.E.U. and Management Executives in Government	382,264	80,441	6,494	469,199	9,853	479,052
10016	Auxiliary Employees — Liquor Distribution Branch	132,127	41,989	10,209	184,325	3,871	188,196
10018	Auxiliary Employees — Registered Nurses and Registered Psychiatric Nurses Association	21,452	2,820	575	24,847	522	25,369
10019	LTD — B.C.G.E.U. and Management Executives in Government	205,672	67,645	5,505	278,822	5,855	284,677
10020	LTD — Professional Employees Association	1,063	979		2,042	43	2,085
10022	B.C. Transit	14,464	1,410	831	16,705	351	17,056
10023	British Columbia Steamship Company (1975) Ltd.	52,882	23,284	1,540	77,706	1,632	79,338
10024	LTD — Liquor Distribution Branch	17,948	4,608	118	22,674	476	23,150
10025	LTD — Registered Nurses and Registered Psychiatric Nurses Association	9,777	3,674		13,451	282	13,733
10026	LTD — British Columbia Buildings Corporation	14,965	4,576	655	20,196	424	20,620
10027	LTD — British Columbia Systems Corporation						
10028	LTD — British Columbia Ferry Corporation	26,800	5,816	725	33,341	700	34,041
10029	LTD — Emergency Health Services Commission	974	1,055		2,029	43	2,072
10030	LTD — Queen's Printer	206			206	4	201
10031	LTD — B.C. Transit						
10033	LTD — Independent Councils						
10034	Boards of Review	12,193	3,293	3,726	19,212	403	19,615
10035	LTD — Labour Relations Board						
10036	Essential Services Advisory Agency						
10037	LTD — Essential Services Advisory Agency						
10040	Science Council	2,869	250		3,119	66	3,185
10041	Universities Council	4,110	309		4,419	93	4,512
10042	Auxiliary Employees — Professional Employees Association	10,730	1,715	360	12,805	269	13,074
	TOTALS	15,138,054	3,493,769	1,020,931	19,652,754	412,709	20,065,463

EXTENDED HEALTH CARE AND DENTAL PLANS

SCHEDULE No. 3

SUMMARY OF EMPLOYEES COVERED BY GROUP

As at March 31, 1987

Group No.	Group Name	Status 1	Status 2	Status 3	Total
10001	Regular Employees — B.C.G.E.U. and Management Executives in Government	5,809	7,705	11,736	25,250
10002	British Columbia Ferry Corporation — Unionized Employees	488	751	1,069	2,308
10003	Regular Employees — Liquor Distribution Branch	391	504	800	1,695
10004	Queen's Printer	17	28	35	80
10005	Labour Relations Board	13	14	10	37
10006	Regular Employees — Registered Nurses and Registered Psychiatric Nurses Association	480	467	970	1,917
10007	Executive — Registered Psychiatric Nurses Association	3	—	—	3
10008	Members of the Legislative Assembly	3	14	12	29
10009	British Columbia Ferry Corporation — Non-Union Employees	19	61	70	150
10010	Regular Employees — Professional Employees Association	159	241	631	1,031
10011	British Columbia Buildings Corporation	154	311	480	945
10012	British Columbia Systems Corporation	94	88	199	381
10014	Emergency Health Services Commission	1	8	17	26
10015	Auxiliary Employees — B.C.G.E.U. and Management Executives in Government	250	185	226	661
10016	Auxiliary Employees — Liquor Distribution Branch	120	107	138	365
10018	Auxiliary Employees — Registered Nurses & Registered Psychiatric Nurses Association	11	5	11	27
10019	LTD — B.C.G.E.U. and Management Executives in Government	213	377	160	750
10020	LTD — Professional Employees Association	1	2	2	5
10022	B.C. Transit	3	3	—	6
10023	British Columbia Steamship Company (1975) Ltd.	58	30	27	115
10024	LTD — Liquor Distribution Branch	17	57	11	85
10025	LTD — Registered Nurses and Registered Psychiatric Nurses Association	20	14	8	42
10026	LTD — British Columbia Buildings Corporation	13	18	10	41
10027	LTD — British Columbia Systems Corporation	—	—	—	—
10028	LTD — British Columbia Ferry Corporation	17	38	19	74
10029	LTD — Emergency Health Services Commission	—	2	—	2
10030	LTD — Queen's Printer	1	2	—	3
10031	LTD — B. C. Transit	—	—	—	—
10033	LTD — Independent Councils	—	—	—	—
10034	Boards of Review	4	10	20	34
10035	LTD — Labour Relations Board	—	—	—	—
10036	Essential Services Advisory Agency	—	—	—	—
10037	LTD — Essential Services Advisory Agency	—	—	—	—
10040	Science Council	1	2	4	7
10041	Universities Council	1	4	1	6
10042	Auxiliary Employees — Professional Employees Association	5	4	4	13
	TOTAL FOR DENTAL PLAN	8,366	11,052	16,670	36,088
10099	British Columbia Public Service Pensioners	4,374	6,441	373	11,188
	TOTAL FOR EXTENDED HEALTH CARE PLAN	12,740	17,493	17,043	47,276

Status 1 — Single Member
Status 2 — Member and One Dependent
Status 3 — Member and Two or More Dependents

PART IV

PRE-RETIREMENT LEAVE, RETIREMENT ALLOWANCE AND DEATH GRATUITY

For the Year
April 1, 1986 to March 31, 1987

PRE-RETIREMENT LEAVE, RETIREMENT ALLOWANCE AND DEATH GRATUITY

SUMMARY OF BENEFITS

For the Year
April 1, 1986 to March 31, 1987

Pre-Retirement Leave: A benefit, equivalent to 50% of the employee's accumulated sick bank credits, which may be taken, at the employee's option, as a Cash Payment or as Time-Off at mandatory retirement age or at time of retirement if the employee is eligible for an immediate superannuation allowance under the *Pension (Public Service) Act*.

Retirement Allowance A benefit paid to the employee, upon retirement, who has completed 20 years of continuous service and who is eligible for an immediate superannuation allowance under the *Pension (Public Service) Act*.

Death Gratuity: A benefit paid to the spouse, dependent, estate or group life insurance beneficiary of an employee who dies in service.

RETIREMENT ALLOWANCE AND DEATH GRATUITY

SCHEDULE NO. 1

STATISTICAL SUMMARY OF NUMBER OF EMPLOYEES RECEIVING BENEFITS—BY MINISTRY

For the Year
April 1, 1986 to March 31, 1987

Ministry	Retirement Allowance	Death Gratuity
Agriculture and Fisheries	9	1
Attorney General	30	7
Economic Development	3	—
Education	5	1
Energy, Mines and Petroleum Resources	4	1
Environment and Parks	12	2
Finance and Corporate Relations	13	1
Forests and Lands	43	8
Health	56	10
Labour and Consumer Services	9	1
Municipal Affairs	3	—
Provincial Secretary and Government Services	8	1
Social Services and Housing	26	4
Tourism	1	—
Transportation and Highways	100	24
	322	61

RETIREMENT ALLOWANCE AND DEATH GRATUITY

SCHEDULE No. 2

FINANCIAL SUMMARY — BY MINISTRY

For the Year
April 1, 1986 to March 31, 1987

Ministry	Retirement Allowance	Death Gratuity
	$	$
Agriculture and Fisheries	66,434	23,500
Attorney General	122,035	79,791
Economic Development	22,560	—
Education	33,619	11,366
Energy, Mines and Petroleum Resources	27,694	23,442
Environment and Parks	79,584	34,526
Finance and Corporate Relations	107,450	30,704
Forests and Lands	312,551	90,860
Health	306,477	106,465
Labour and Consumer Services	58,048	23,442
Municipal Affairs	25,993	—
Provincial Secretary and Government Services	41,516	9,926
Social Services and Housing	138,194	40,604
Tourism	4,015	—
Transportation and Highways	594,930	270,864
	1,941,100	745,490

PRE-RETIREMENT LEAVE
(50% SICK BANK ACCUMULATION)

SCHEDULE NO. 3

STATISTICAL SUMMARY OF NUMBER OF EMPLOYEES RECEIVING BENEFITS — BY MINISTRY

For the Year
April 1, 1986 to March 31, 1987

Ministry	Cash Payment	Time-Off
Advanced Education and Job Training	—	1
Agriculture and Fisheries	13	3
Attorney General	39	12
Economic Development	4	2
Education	6	6
Energy, Mines and Petroleum Resources	4	3
Environment and Parks	11	10
Finance and Corporate Relations	12	5
Forests and Lands	32	22
Health	55	54
Intergovernmental Relations	—	1
Labour and Consumer Services	6	8
Municipal Affairs	1	2
Provincial Secretary and Government Services	9	4
Social Services and Housing	34	21
Tourism	1	—
Transportation and Highways	64	73
	291	227

PRE-RETIREMENT LEAVE
(50% SICK BANK ACCUMULATION)

SCHEDULE No. 4

FINANCIAL SUMMARY — BY MINISTRY

For the Year
April 1, 1986 to March 31, 1987

Ministry	Cash Payment	Time-Off
	$	$
Advanced Education and Job Training	—	529
Agriculture and Fisheries	115,692	19,876
Attorney General	245,664	31,214
Economic Development	49,296	10,199
Education	44,251	34,117
Energy, Mines and Petroleum Resources	41,082	28,596
Environment and Parks	112,650	53,530
Finance and Corporate Relations	160,693	13,933
Forests and Lands	418,857	276,481
Health	313,998	332,664
Intergovernmental Relations	—	8,415
Labour and Consumer Services	81,615	24,698
Municipal Affairs	24,494	11,845
Provincial Secretary and Government Services	50,811	5,471
Social Services and Housing	193,032	121,494
Tourism	1,428	—
Transportation and Highways	619,676	435,798
	2,473,239	1,408,860

GRAND TOTAL: $3,882,099

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